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BEFORE THE ARIZONA CORPORATION COMMISSION

25 FD

COMMISSIONERS

JEFF HATCH-MILLER, Chairman

WILLIAM A. MUNDELL

MARC SPITZER

MIKE GLEASON

KRISTIN K. MAYES

2005 FEB 18 P 3: 23

AZ CORP COMMISSION  
DOCUMENT CONTROL

DOCKETED

FEB 18 2005

DOCKETED BY

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IN THE MATTER OF:

DOCKET NO. S-03576A-04-0000

SCOTT ERICK LANGFITT

10175 Hoover Woods Road

Galena, OH 43021

CRD# 1695817

Respondents.

FIRST  
PROCEDURAL ORDER

BY THE COMMISSION:

On December 22, 2004, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against Scott Erick Langfitt ("Respondent") in which the Division alleged multiple violations of the Arizona Securities Act ("Act") in connection with the offer and sale of securities in the form of bonds.

Respondent was duly served with a copy of the Notice.

On February 7, 2005, an Ohio attorney filed a letter of representation on behalf of Respondent. Respondent's counsel neither filed a request for hearing ("Request") nor an Answer to the allegations contained in the Notice. Counsel requested that the presiding Administrative Law Judge waive the requirement that Respondent file an Answer and it appears that he is waiving Respondent's right to request a hearing. Further, Respondent's Ohio counsel indicated his client is planning to make restitution to the Arizona investor referenced in the Notice. However, Respondent's counsel did not submit evidence of admission Pro Hac Vice ("PHV") in compliance with Rule 33 of the Rules of the Arizona Supreme Court and evidence that he had paid the required filing fees.<sup>1</sup>

On February 8, 2005, the Division filed what was captioned "Motion to Recognize Securities

<sup>1</sup> Respondent's counsel should reference the Commission's website at [www.cc.state.az.us](http://www.cc.state.az.us) to review these requirements.

1 Division Allegations as Admitted" ("Motion") wherein the Division has requested that the presiding  
2 Administrative Law Judge issue an "Order that the Division draft a proposed final Order for  
3 subsequent submission to the Commission for consideration at Open Meeting." In essence, this  
4 would result in a finding that Respondent is in default.

5 Accordingly, the response to the Notice filed by Respondent's Ohio counsel should be held in  
6 abeyance pending Respondent's counsel either filing in a timely fashion a Motion and Consent for  
7 Admission Pro Hac Vice ("Motion PHV") with the Commission which establishes his compliance  
8 with Rule 33 of the Rules of the Arizona Supreme Court and evidence that the required filing fees  
9 have been paid or taking other action deemed appropriate such as negotiating a form of Consent  
10 Order with the Division. Further, the Division's Motion should also be held in abeyance pending a  
11 review of a Motion PHV or any further appropriate action taken by Respondent's Ohio counsel.

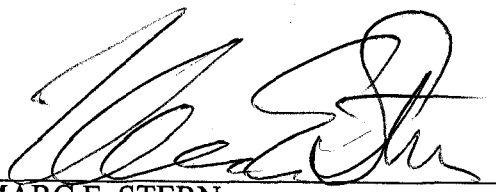
12 IT IS THEREFORE ORDERED that any action on the response filed on behalf of Scott Erick  
13 Langfitt shall be held in abeyance for 45 days from the date of receipt of this Procedural Order by  
14 Respondent's counsel.

15 IT IS FURTHER ORDERED that upon either the timely filing by Respondent's counsel of a  
16 Motion PHV or taking other action deemed appropriate, an Order will be issued.

17 IT IS FURTHER ORDERED that if Respondent's counsel fails, within 45 days from the date  
18 of receipt of this Procedural Order, to either file a Motion PHV accompanied by a request for hearing  
19 on an Answer, and/or take other appropriate action as described above, then Respondent will be in  
20 default, and the Division shall submit a proposed final Order to the Commission for its approval at  
21 Open Meeting.

22 IT IS FURTHER ORDERED that all filings made in this proceeding should be filed with the  
23 Commission's Docket Control Section with coversheet, original filing and 13 copies.

24 Dated this 18<sup>th</sup> day of February, 2005

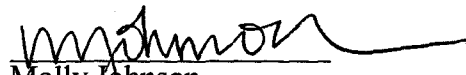
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MARC E. STERN  
ADMINISTRATIVE LAW JUDGE

1 Copies of the foregoing were mailed/delivered  
this 18 day of February, 2005 to:

2 Kenneth A. Gamble  
3 GAMBLE HARTSHORN JOHNSON  
4 On East Livingston Avenue  
5 Columbus, OH 43215-5700  
6 **Certified Mail**  
7 **Return Receipt Requested**

8 Matt Neubert, Director  
9 Securities Division  
10 ARIZONA CORPORATION COMMISSION  
11 1300 West Washington Street  
12 Phoenix, AZ 85007

13 By:

14   
15 Molly Johnson  
16 Secretary to Marc E. Stern  
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